

## Laurie Oakes: Good policy is lost in politics

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ONLY a few weeks ago Josh Frydenberg was waiving federal law to allow shark netting off the northern NSW coast. Now the Environment and Energy Minister finds himself being circled by political white pointers, and there's not a net to be seen.

Frydenberg, you see, did something unforgivable. For a brief moment, possibly unwittingly, he put the national interest ahead of the political interests of the Coalition. Now some of his colleagues are after his blood. Demanding, as a report in The Australian put it yesterday, that "action" be taken against him. Frydenberg is accused of blunting a government campaign against Labor over electricity prices and embarrassing Prime Minister Malcolm Turnbull while he was at it.



Environment Minister Josh Frydenberg. Picture: LUKE BOWDEN

The affair illustrates how manoeuvring for partisan advantage takes precedence over good policy and process in Australian politics today. It provides a fitting end to a pretty sordid political year.

Last Monday Frydenberg announced details of a review of climate change policies promised when Tony Abbott was still prime minister. Its terms of reference — approved by the Turnbull cabinet — included “the opportunities and challenges of reducing emissions on a sector-by-sector basis”.

Not surprisingly, Frydenberg was asked about this, and particularly its implications for the electricity sector. He replied: “We know that there’s been a large number of bodies that have recommended an emissions intensity scheme, which is effectively a baseline and credit scheme. We’ll look at that.”

The mere mention of a kind of emissions trading scheme, or carbon price, for power - generation was enough to send pro-Abbott conservatives in the Coalition and sections of the media berserk. It would drive up the price of electricity, they cried. “One of the dumbest things I have ever heard,” Cory Bernardi said. “People are really angry,” Peta Credlin asserted.

Others joined the condemnation, frustrated that a political advantage had been squandered. And some rivals simply saw a chance to bring Frydenberg down a peg or two. Christopher Pyne’s intervention was especially damaging because it guaranteed that Cabinet divisions became a significant part of the story.

Turnbull found himself in a familiar place; ministers squabbling and those wanting Abbott reinstated as PM giving him curry. So he did what he usually does. He caved. After a cabinet discussion, Frydenberg went out to kill off any prospect of such a scheme and deny saying what he’d said.

And Turnbull acted as though even the mere suggestion of an electricity emissions intensity scheme had come as a total surprise to him. In fact, Turnbull knew it was being discussed. He had discussed it himself with South Australian Premier Jay Weatherill a month ago.

And he probably knew it interested the man he hand-picked to head the inquiry, Chief Scientist Alan Finkel. Finkel had commented favourably on the scheme in a discussion paper prepared for yesterday’s meeting between the PM and the premiers, saying that, of the possible approaches, it had the lowest economic costs and the lowest impact on electricity prices. If the Chief Scientist and other experts believe an emission intensity scheme would help keep electricity prices down, it obviously should be looked at in any policy review.

To exclude it is farcical.

But the government wants to build a scare campaign around the claim that Labor’s policies would increase electricity bills — and emissions trading is one of those policies. So even though Turnbull was once a passionate advocate of emissions trading — and these days looks more hypocritical every time the issue comes up — the scheme Frydenberg mentioned in that initial interview had to be discredited and killed off.

Gaining a political advantage over Labor gets priority, not the best policy.

Labor is frequently guilty of the same sin. It behaved so cynically over the backpacker tax in the final week of parliament, with embarrassing the government its sole aim, that Bill Shorten oozed smarminess to a sickening degree.

Frydenberg is being criticised for answering honestly when he was first asked about the issue. He should have dodged, according to his critics, or even lied. Some condemn him for doing interviews at all, arguing he ignored a cabinet expectation he would sneak out the review with no publicity. Frydenberg seems to accept much of the criticism. He has told colleagues he accepts responsibility and is annoyed with himself for weakening an attack on Labor he had helped to develop. So the sharks are unlikely to get him.

But there is more of Turnbull's blood in the water as a result of this affair.

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